Chapter - VII

Summary

and

Conclusions
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Universities as centers of higher learning stand at the zenith of educational structure. That is why they are seen as the guiding authorities for all other educational centres. Universities are centers of learning in wide ranging fields including fine arts, sciences, social sciences, professional and technical courses. They are also the institutions authorized to confer certificates of completion of specific study and research, particularly in higher education. Universities are the centers of education and research and thus promote socio-economic advancement. They also play a vital role in the educational system in preparing personnel for occupying teaching posts at different levels and for pursuing research. Universities play a significant role in human resource development and nation building too. They help people enhance their levels of education and training on the one hand and their health status on the other. Universities help students understand the importance of human values and train them to be responsible citizens of the society. They play crucial role by developing the scientific spirit among the youth. Thus, universities have greater role to play in the social and cultural life of the people in providing leadership and in nation building. They provide a suitable and effective platform for the emergence of leadership for the nation.

Universities require finances for carrying out different academic and research programmes in addition to their main activity of imparting education.
The main objective of the universities is to disseminate knowledge and also to explore new areas of study so that the acquired knowledge becomes total and perfect. Hence, the universities should place emphasis on the expansion of educational facilities broadly on the basis of manpower needs and with an accent on providing equal educational opportunities. For this, they have to establish more and more academic institutions to produce sufficient manpower and to extend opportunities to all sections of society.

Traditionally, education was regarded as the responsibility of the Government. But now, this view has changed, particularly with regard to higher education. The direct beneficiaries, the user industries and other institutions, are made to contribute towards higher education. Thus, the universities get finances from the Government sector and other institutions. They also raise self-generating revenues like fees from self-financing courses and through consultancy services. The university receives grants from the Central Government, the State Government, and other local institutions.

The UGC grants can be divided into Plan and Non-Plan ones. Non-Plan grants are made for specific purposes like scholarships, summer schools, exchange of teachers and research. Plan grants relate to projects in university five-year plans, such as starting new departments of study and research. The grants by the State Governments, usually in the form of Block Grant, form a major portion of total receipts of the university. Local bodies like Municipal Corporations, Zilla Parishads, Committees, and other institutions also take part in the affairs of the university and contribute to its finances.
Next to Grants, fees form the largest source of income for the universities. The universities derive about one third of their revenue from fees and the balance is made up by grants and others. University receives income from self-generating receipts also. These are generated by throwing open the courses for purchase by the private user agencies at marketable rates rather than at Government subsidised fee levels. Alumni contribution is another source of income for the universities. This is very popular in Western Universities. But it is yet to be fully exploited by Indian universities. Self-financing courses are another important source of income for the universities particularly in the recent period. They have been raising funds through starting a few job-oriented courses and collecting reasonably high fees from the students.

The income of the universities can be classified into 1 Current income and 2 Developmental Income. The former is the income available for its current operations of teaching and administration and the latter is the income for financing new activities. Current Income is further divided into internal and external, educational general income, auxiliary income and student-aid income. Developmental Income is further divided into Revenue and Capital. The total income can also be classified on the basis of sources as income from 1 University Departments, 2 State Government, 3 UGC, 4 Government of India and 5 Others. The Universities present their different sources of income in their Budget Estimates and Annual Reports.

Universities spend on a variety of activities ranging from teaching to the maintenance of inter-university relationships. Salaries of teaching and non-
teaching staff account for the major chunk of the university expenditure. All these expenditures are included in what is called current expenditure. Capital expenditure includes expenditure in the form of construction of buildings, purchase of equipment for laboratories and acquiring of books. Universities devote most of their expenditures for Departments of study and research. Science Departments receive considerably larger allotment of funds than Humanities. Other Departments on which huge amounts spent are the Library, Study Centers and Student aid centers. Works constitute another major item of expenditure by the universities towards new construction. University expenditure is classified into current and developmental expenditures. The current expenditure is expected to cover the cost of the educational programmes and other operating activities. Developmental expenditure is incurred on items which promote post graduate education and research. The current expenditure and Developmental expenditure are also called Revenue and Capital expenditure. Another classification of University expenditure is into Plan and Non-Plan expenditures, which correspond to Capital or developmental and Current and Revenue expenditures respectively. University expenditure can also be classified on the basis of purpose of expenditure into general administration, examinations, colleges and institutes of study and research. University departments, other departments, grants and scholarships and the works. Like other organizations, universities also try to match the receipts and payments. But they follow different methods to match the two.
Sri Venkateswara University was established in the year 1954 with the objective of providing opportunities of higher education to the people of Rayalaseema, a backward region of Andhra Pradesh State. Sri Venkateswara University College of Arts & Sciences was the premier institution started by the University in December 1954. The college had expanded vigorously and the administrative burden increased to unmanageable limits. To meet this challenge, the Sri Venkateswara University Arts College was bifurcated into College of Arts, Commerce, and Law and the College of Sciences in 1978. Later, these colleges were further divided into four Schools viz. School of Biological and Earth Sciences (S.B.E.S), School of Humanities and Extension Studies (SHES), School of Mathematics and Physical Sciences (SMPS), and School of Social and Behavioural Sciences (SSBS). Each School is headed by a Dean. All these Schools, however, are under the Sri Venkateswara University Arts College headed by the Principal. S V University has set up a library in the year 1955 with a small collection of 6,700 books. In the year 1956, the university took over the Oriental Research Institute (ORI) earlier started by Tirumala Tirupati Devasthanams with a view to develop and conduct research in oriental languages and literature. S V U College of Engineering was started in the year 1959 and it started functioning from the academic year 1959-60. One more school namely School of Self-Supporting Courses was added to the existing four schools.
Keeping the guidelines of the New Education policy of 1985 in view, the university started an Academic Staff College in the year 1988 with the basic objective of providing opportunities to the teachers for upgrading their skills and knowledge in their respective disciplines through refresher courses and Orientation Programmes. The university started a Computer Centre in the year 1982 to provide training and development facilities for the teaching faculty, non-teaching staff, research scholars and students in the field of computer education and application. The centre also supports the Directorate of Distance Education in organising courses in computer languages. In order to provide post-School education to the children of SVU employees, the university decided to upgrade the SVU Campus School. As a result, SVU Junior College came into existence in the academic year 1992-93. But later the Junior College was closed in 1998-99. The University's printing press started working from 1958. The press undertakes the printing requirements of the administration, colleges, P.G. Centers, and other institutions of the University. The University set up health centres in the year 1963. The students, the teaching and non-teaching staff and their families are given free medical aid.

In order to provide University education to people living in remote areas also, the University started P.G. Centers. The P.G. Center at Ananthapur was started in the year 1967-68. Later, this centre was given autonomous status and developed into a full-fledged University named as Sri Krishnadevaraya University. The P.G. Centre at Kavali came into existence when the two post
graduate courses namely Commerce and Economics started under the Visvodaya Management in 1972 were handed over to Sri Venkateswara University in 1978. The P G Centre at Cuddapah was started in the year 1977 initially with a post-graduate course in commerce and Public Administration. The P G Centre at Kurnool was started during 1977 with the financial assistance of State Government. However, during 1991-92 it was transferred to Sri Krishnadevaraya University Ananthapur. The University established Campus School (SVUCS) to cater to the needs of children of SVU employees and was recognised by the Government of A P in 1970. The Institute of Correspondence Course was set up in the year 1972. It was upgraded in 1995 as the Directorate of Distance Education (DDE) as per the norms laid down by the UGC. In the year 1976 the university established the Centre for Studies in Peace and Non-Violence with the objective of studying these two aspects in their widest context.

The University witnessed increasing trends in student strength in all the Schools except in the School of Mathematical and Physical Sciences and School of Social and Behavioural Sciences. The strength of teachers has also shown the same trend. The teacher-student ratio has been declining except in a few years in the pre-reform and reform periods. However, this ratio across different Schools showed variations. The teacher-student ratio in SSBS has been greater than the overall ratio and also ratios in other Schools, particularly the School of Business Management. Within SBES the Departments of Geology and Anthropology have witnessed stable trends with regard to number of teachers.
and students and teacher student ratio whereas the Department of Botany and Virology witnessed increasing teacher student ratio. The School of Humanities and Extension Studies has shown declining trends. Except in the Department of English, all the other Departments witnessed decreasing trends in the number of students and the teacher student ratio. The ratio reached minimum in the Departments of Urdu, Population studies and Tamil. Further, these Departments showed wide fluctuations. The School of Mathematical and Physical Sciences showed consistent trends with regard to number of teachers and students and the teacher-student ratio. The Departments of Physics, Chemistry, Mathematics and Statistics also showed consistent trends. The SSBS also showed stable trends with regard to student strength and the teacher student ratio. But within the School, the Departments of Psychology, Sociology, BLIS and Econometrics showed stable or declining trends while the Departments of Economics and Commerce witnessed increasing trends. The course takers are on the increase. But due to slow growth of number of teachers, the teacher-student ratios are high and on the increase. The School of Business Management and Law showed encouraging trends. The teacher-student ratio is very low although the number of students is increasing.

Regarding research output, the study reveals a declining trend with regard to number of students pursuing M Phil and Ph D and also in respect of ratio of research degrees awarded to the number pursuing them particularly during the reform period. The publication of books, research projects, and articles in
research journals is another aspect of research output. In this field also the SMPS and SBES showed better performance than other Schools. The SHES and SSBS showed moderate performance while the SBM has indicated very poor performance. The University Departments have to carry out research projects also sanctioned by various organisations like CSIR, DST, and UGC. Among the total projects sanctioned the majority were carried out by the Departments of Physics, Zoology, and Chemistry. While the Departments of History, Bachelor of Library and Information Science, and Adult Education have the least number of projects. The Departments of English, Philosophy, Education, and Law have no projects at all. Among the total projects, the majority were sanctioned by the UGC. During the 1990s, projects sanctioned by the CSIR and others showed a declining trend. The UGC projects have been increasing in the Departments of Telugu, Economics, and Commerce.

Sri Venkateswara University has an excellent organisational structure formulated as per the University Act. Chancellor is the supreme organisational head of the University. The Governor of A.P. is the Chancellor. The Executive Council is an important organ of the university administration. It is the supreme executive body of the University. It is constituted by the Chancellor by drawing people of different walks. It is vested with many financial powers. Next to the Chancellor in the hierarchy of the organisation is the Vice-Chancellor. He is the most important functionary in the university administration and plays a crucial role in the successful functioning of the University. Next to the Vice-Chancellor, the Rector will play an important role in the university administration, particularly in the academic matters. The Rector is appointed by the Executive Council on
the recommendations of the Vice Chancellor. Registrar is next in importance to
the Vice Chancellor in the University organisation. He is the key figure in the
administration of the University.

In the financial administrative set up the Finance Committee is the
supreme authority. It is a sub-committee of the Executive Council and is a
statutory body. The members of the Finance Committee include Vice Chancellor
as Chairman and two members from the Executive Council. The Finance Officer
shall be the Secretary to the Finance Committee. The Finance Committee plays
a pivotal role in the realisation of financial resources and allocation of funds.
Registrar is the acting financial authority after the Finance Committee. Next to
the Registrar in the financial administration is the Deputy Registrar called
Finance Officer who looks after the financial matters of the university. The
Finance officer in turn is assisted by four Assistant Administrative officers and
other lower level staff.

The budget of University is prepared under four parts—Part I, Block Grant
Accounts, Part II (Plan Account) Plan III (E S F Account) and Part IV
(D D Account). The process of budget preparation will start in the month of
August with the dispatching of circulars to Heads of Departments for the
preparation of budget proposals and ends in the month of March next year with
the presentation of these proposals in the form of estimates to the Government.
The accounts of University are audited by the Local Fund Authority of A P. The
accounts so audited shall be published in the A P Gazette. The audit is done
in the month of March every year for the accounts pertaining to the previous
The audit is mainly concerned with the examination of receipts and expenditures and the procedure used to sanction expenditure. The University has been receiving income from different sources presented under different Sections and Accounts. Out of the total receipts, the Block-Grant Section accounts for the highest percentage. This is followed by the Capital Section in the initial period of 1980s and by the Debt Section in the later period of 1990s corresponding to the pre-reform and reform periods respectively.

However, the structure of receipts has been changing significantly as shown by the percentages of different Sections in the total receipts. The Debt Section recorded the highest growth rate whereas the Capital Section showed the lowest growth rate and the Computer Centre Account showed negative growth rate. The Computer and the Junior College Accounts aside, the Debt Section has shown the highest coefficient of variation whereas the Capital Section has shown the lowest. From the results of ANOVA, it is found that there is a significant difference between the years of study and between three Sections with reference to the structure and growth of receipts. The results obtained from the application of Chow test for structural change revealed that there is no significant structural change or difference between growth rates and between the two Plan-periods of 1985-90 and 1992-97 representing the pre-reform and reform periods.

In the Block Grant Section, the General Account constitutes the highest proportion followed by the Examination Account, the S V U College Account and
the S V U Engineering College Account. These Accounts form the major part of the receipts under the Block Grant Section whereas the other accounts form only a marginal proportion. The receipts under S V U Engineering College Account has shown the highest growth rate. Next in order are the Child Development Account and S V U P G Centre Kavali Accounts. The S V U Library Account, the Examination Account, S V U College Account, and the S V U P G Centre Kurnool Account have shown growth rates which are lower than that of total receipts under Block Grant Section. The structure and growth of receipts pertaining to the Block Grants Section under different heads have shown variations. The growth of receipts under different Sections has also shown wide variations. Some Sections have shown positive growth rates while others have shown negative growth rates. Further, we can observe variations among different Sections.

Block Grant Section receipts are from two main sources: Grants and Self Generating Receipts. Grants come from State Government, the University Grants Commission (UGC) and Tirumala Tirupati Devasthanams (TTD). Out of the total receipts in the Block Grant Section, Grants not only form the largest proportion but also keep increasing over time. Out of the total grants, State Government grants form the largest proportion, followed by those of UGC and the TTD. The later two exist only a few years ago. The growth of receipts has however been significant. The structure and growth of resources have shown wide variations. The proportion of each source out of total receipts has been fluctuating. The growth rates have also showed fluctuations.
Under the Block Grant Section, the General Account forms the largest component. It also receives income from various sources: grants from different sources and also self-generating receipts. Other accounts, except the S V U College and Engineering College Account, have got self-generating receipts only as a single source of income. Of the total receipts in the General Account, State Government grants constitute the highest percentage followed by a small percentage of self-generating receipts. The other two grants from UGC and TTD form only a marginal proportion. Moreover, the percentage of State Government grants has been increasing while that of other sources, including self-generating receipts, is decreasing. The structure and growth of receipts under various sources in the General Account have shown variations—the highest being in the total receipts. The least variation is found in self-generating receipts.

Apart from the General Account under which the University receives funds through different sources, there are two other accounts which contribute to the university finances through grants and self-generating receipts. As far as S V U College Account is concerned, self-generating receipts formed a major proportion. In the case of S V U Engineering College Account, self-generating receipts formed a greater proportion than the Grants except in two years: i.e., 1983-84 and 1992-93. The growth trends of receipts in the above accounts show interesting trends. Though the grants and self-generating receipts increased between 1983-84 and 1998-99, the growth rates have been negative in S V U College Account. But in S V U Engineering College Account, grants showed negative growth rate whereas self-generating receipts showed positive
growth rate. The grants in S V U Engineering College Account showed wider variations than the self generating receipts. But in the case of S V U College Account, the self generating receipts have shown greater variations. A few Accounts in the Block Grant Section receive income from self generating receipts only. They do not receive any Grants. These are S V U O R I Account, Examination Account, S V U Library Account, S V U School Account, Child Development Account. But there has been a significant growth of receipts in the Examination Account in which the self-generating receipts increased. The self-generating receipts in the S V U Library Account are meager but showed an increasing trend. Conversely in the S V U School Account, the receipts decreased.

The P G Centres Accounts show a different picture. The receipts in S V U P G Centre, Cuddapah Account, increased. But as the receipts declined in other intervening years, the growth rate was negative. The same trend is observed in S V U P G Center, Kurnool Account. The self-generating receipts under P G Centre, Kavali Account, however, have increased. The growth of self-generating receipts in these Accounts has shown wide variations and fluctuations. The greatest variation can be found in S V U O R I Account while S V U School Account and Examination Account showed lowest variation.

Capital Section consists of receipts for the purpose of construction of buildings, acquisition of books and equipment and launching of special projects which have a bearing on the physical and human capital. These receipts come from U G C, the State Government and from other agencies like ICSSR, ICSR.
ICAR and ICMR. Among different Accounts Other Miscellaneous Account forms the largest percentage followed by the Buildings Account and the Books & Equipments Account. The DDE Account constituted the smallest percentage. However, there have been significant changes in the percentages. The proportion of Books and Equipment and that of Other Miscellaneous Grants has been increasing while that of Buildings Account and DDE Account has been decreasing. The receipts for Buildings Account and Other Miscellaneous Account have shown lower rates; the receipts in Books and Equipment have shown equal rates while the receipts in DDE Account have shown negative growth. The structure and growth of receipts in different accounts under Capital Section have shown wide variations. The growth of receipts also showed variations. It was maximum in Books, Equipment and Vehicles accounts and minimum in Other Miscellaneous Grants Account.

Other Miscellaneous Grants occupy a prominent place in the Capital Section of the University finances. These Grants come mainly from State Government, the UGC, and in the form of Special Schemes Finances from other sources like ICSR, ICSSR, ICAR and ICMR. Out of the total Miscellaneous Grants, Special Scheme Finances formed a major portion in the 1980s, but in the 1990s, the State Government Grants formed a major portion. The UGC Grants occupying third place throughout. The analysis of trends in the structure and growth of these receipts shows that there have been wide fluctuations. The highest number of such fluctuations occurred in State Government Grants and the lowest in Special Schemes Grants.
Debt Section consists of receipts for the University from Deposits, Advances, Investment, Provident Fund, Special Fund Account etc. Out of the total receipts under the Debt section, Deposit Account and Provident Fund Account occupied dominant positions. Other Accounts viz. Investments, Suspense and Scholarship Accounts are of marginal importance only. As far as the growth of receipts in the Debt Section is concerned, the Special Fund Account and Provident Fund Account have shown significant trends registering greater growth rates while others showed lower rates. The Suspense Account and the Scholarship Account are exceptions to this. The former has a very high growth rate and the latter has recorded negative growth rates. The structure and growth of receipts in the Debt Section under different Accounts have shown wide variations. The proportions of receipts under different Accounts have shown wide variations and fluctuations. While the proportions of Provident Fund and Special Fund Account have been increasing, that of Deposit and Advance Accounts have been declining but with a lot of fluctuations. These fluctuations are due to variations in the growth rates of different receipts under different Accounts. The Investment Account recorded widest variations followed by Special Fund Account while the Deposit Account and Advance Account have shown the least variation.

Out of the total receipts, Grants formed a greater proportion than the Self-Generating receipts. Further, the proportion of Grants has been increasing while that of the Self-generating receipts is declining. The State Government grants constituted a greater proportion than UGC grants. The grant from TTD and
others constituted only a small per cent of the total receipts. The State Government grants form the major chunk of receipts by S V University. But most of this comes under Block Grant Section under Non-plan Revenue Account. Only a small portion is given to the Capital Section. The receipts under Computer Section occur only in a few years. The growth of receipts has been fairly significant, especially in the Block Grant Section and Other Miscellaneous Account. The Capital Section receipts decreased showing a negative growth rate. The growth, however, has not shown much variations. The highest variation occurred in S V U Engineering College Account and the lowest in Capital Section Account. The U G C provides grants mostly to the Capital Account for the construction of Buildings, acquisition of Books and for Other Miscellaneous Grants. A small portion was given to the S V U College, S V U Engineering College Accounts and to the Computer Section during a few years. Within the U G C grants, the grants under Other Miscellaneous Account recorded a higher growth rate than the buildings and the Books, Equipment Accounts. The receipts under General Account and 'Other Accounts' showed negative growth rates. The receipts under S V U College and S V U Engineering College Account showed very low growth rates.

The structure and growth of receipts under Grants from UGC have shown variations. Significant variations are found in the Buildings Account of Capital Section and in the S V U College Account of Block Grant Section. The Accounts which have shown fairly high variations are General Account, Total Block Grants Receipts, Books Account and Other Miscellaneous Grants Account.
Accounts which have shown low variations are S V U Engineering College Account and Total UGC Grants. The grants from Tirumala Tirupati Devasthanams (TTD) Tirupati is the only source of funds at the local level. The University also gets grants from TTD on a permanent basis. TTD provides grants either for General Account under Block Grant Section or for Buildings under Capital Section. The receipts for General Account under Block Grant Section increased while the receipts for Buildings under Capital Section decreased. Grants under Capital Section showed greater variation whereas the grants under Block Grants Section showed minimum variation.

Self-generating receipts are the major source of receipts apart from the Grants. However, their importance has been growing ever since the reforms were introduced in early 1990s. Out of the total self-generating receipts, Examination Account followed by General Account forms a major portion. S V U College Account and Buildings Account are the two other heads under which a fairly good amount of self-generating receipts arise. Computers Account is the recent addition to the list. Other Accounts are less important than these five accounts as far as these self-generating receipts are concerned. The structure and growth of self-generating receipts under different accounts have shown wide variations. The largest variations are found in S V U Engineering College Account and P G Centre Kavali Account. The S V U School Account showed the lowest variation in the case of self-generating receipts. Other Accounts have shown moderately high variations.
The receipts of the university can be broadly divided into Revenue and Capital receipts. The Revenue receipts are those resources meant for meeting the routine activities of the University. In this sense, all these receipts are for recurring purposes/activities like rent from buildings, fees from students, and receipts from sale of publications, etc. The Capital Receipts on the other hand, constitute resources for construction, acquisition/improvements of permanent assets like buildings, books, equipment, and some specific schemes. Both these receipts are important for the university for carrying out academic activities and also for building infrastructure. Yet their importance changed over time. Revenue account receipts form a large proportion in the total receipts. Further, this proportion increased over time. The proportion of Capital receipts in the total receipts is not only small but declined over a time. The Revenue Account receipts increased at a greater rate than the Capital receipts and the Total receipts. The Revenue Receipts showed greater variation.

With reference to time-frame and the specific use of the receipts of the University, the resources can be classified into Plan and Non-Plan. The former are received for the specific purpose of Plan schemes with a specific time-frame, whereas the latter refers to receipts devoted to general purposes and on a regular basis. The funds received for the purpose of purchase of books and equipment, construction of buildings, research projects, and special assistance come under the Plan receipts while the amounts received for the purpose of salary fees, services, self-generating receipts, and miscellaneous income come under the Non-Plan receipts. Predictably the Non-plan receipts form a greater proportion of the total receipts than the Plan receipts. Further, the proportion of
Plan receipts is declining while that of the Non-plan receipts is increasing. The Non-Plan receipts increased at a greater rate than the Plan and the Total receipts. The Non-Plan receipts showed greater variation than the Plan receipts and the total receipts.

The per-student receipts increased during the study period. The aggregate receipts and the per-student receipts increased almost at the same rate. The per-student receipts under Block Grant Section recorded a higher growth rate than those under Capital Section and the Total Receipts.

There was not much divergence between the actuals and the budgeted figures in all the Sections and the Total receipts except in the Debt Section. The actuals were greater than the estimated figures only in a few years in the Totals, Block Grant Section, the Capital Section, and in the Computer Centre. Only in the Debt Section, the actuals were greater than the estimated figures in eleven years out of sixteen years of the study period.

Regarding the growth pattern in the actuals and the estimated figures regarding receipts under different Sections, the budgeted figures showed greater growth rates than the actuals in all the Sections and the total receipts. In the Computer Section, the actuals showed greater negative growth rates than in the budgeted figures. The largest and the least difference between the growth rates can be found in the Debt Section and the Block Grant Section respectively. Further, the growth rates of actuals and budgeted figures are significant. Another interesting feature is that budgeted figures showed greater variation than the actual figures in all the Sections and the total receipts except in the Computer Section where the opposite is true.
The University spends mostly under Block Grant Section which includes salaries, allowances, and contingent expenditures. More than sixty percent of expenditure is under the Block Grant Section followed by the Capital Section and Debt Section. Only in a few years in the later half of 1990s the expenditure under Debt Section exceeded that of the Capital Section. The proportion of total expenditure under these Sections however has been changing. While the expenditure under the Block Grant Section has been stable around 60 percent throughout the study period, the percentages of expenditure under Capital Section and Debt Section showed variations. The percentages declined significantly under the Capital Section during 1990s and this percentage has become less than that of Debt Section.

S V U Junior College Account (existent up to 1998 only) and Debt Section have recorded higher growth rates than the growth rate of total expenditure while Block Grant Section and Capital Section have shown lower growth rates. The Computer Centre Account recorded a negative growth rate. The growth of expenditure under Debt Section has shown variations wider than total expenditure. The results of ANOVA show that there is significant difference between the years of study and between the three Sections. From the results obtained through the application of "Chow Test" for structural change it is observed that there is significant difference in the growth rates between two Plan periods of 1985-90 and 1992-97 corresponding to pre-reform and reform periods with respect to the structure and growth of expenditure of the University under
three Sections namely Block Grant Capital and Debt Section The difference is more prominent in the case of Block Grant Section than in other Sections

Out of the total expenditure the General Account and S V U College Account have a major share each consisting of around 30 per cent of the total expenditure The Engineering College Account the Examination Account and Library Account are the others which follow the first two in having a greater share of the total expenditure Each of the P G Centre Accounts has around one per cent of the total expenditure whereas ORI Account and Child Development Account have less than one per cent of total expenditure Moreover the share of the individual Accounts has been changing

The proportion of total expenditure in the General Account and that of S V U College Account to the total expenditure have increased The proportions of Examination Account and Engineering College Account have decreased Regarding the growth of expenditure almost all Accounts except S V U Library Examination Account and P G Centre Kurnool Account have recorded higher growth rates Another noteworthy feature is that the growth of expenditure in all Accounts is significant

Under the General Account expenditure on University administration and in the Engineering Department comprises more than two-thirds of the total expenditure The expenditure in Medical and Sanitation Department and the Press are the other two which occupy a fairly large share of the total expenditure All other types of expenditure comprise only 1-2 per cent each of
the total expenditure. Further, all the shares of these different items are changing over time. Regarding growth, it is observed that all the items of expenditure have recorded a linear growth rate around ten whereas the Special Development Schemes recorded a linear growth rate of 4.77 level. But University Publications recorded a negative growth rate. Further, all these expenditures except University Publications have shown moderate variation. The University Publications has shown greatest variation whereas Special Development Schemes has shown the least variation.

Out of the total expenditure under Capital Section, Other Miscellaneous Grants Account constitutes the largest proportion followed by the Buildings and the Books, Equipment and Vehicles Accounts. Further, the proportion of Other Miscellaneous Account is increasing while that of the other two is decreasing. In the Capital Section, greater emphasis has been laid on ‘Other Miscellaneous Account’. As a result, the allocation for Buildings and Books and Equipment is decreasing. The proportion of DDE however has increased and recorded the highest growth rate. The Buildings and the Other Miscellaneous Accounts have shown growth rates slightly higher than that of total expenditure. The growth of these expenditures has shown variations. The DDE has shown the greatest variation while the Other Miscellaneous Account has shown the least variation.

The expenditure incurred in the ‘Other Miscellaneous Grants’ falls under different heads. These are UGC, State Government and Special Schemes financed from other Grants. Of the total payments under this Account, UGC Grants and Special Schemes Grants form the major portion. But their relative
position as a proportion of total expenditure in the Miscellaneous Account has changed over the period. The proportion of UGC Grants increased while that of State Government grants and special scheme Grants decreased. Initially the Special Scheme Grants occupied the first place and the UGC Grants the second place as a proportion to total expenditure. Later on, however, UGC Grants occupied first place and the Special Scheme Grants the second while the State Government Grants remained in third position during the study period. However, the expenditure under the UGC grants increased at a greater rate than the State Government and under Special Scheme Grants. But the increase in the growth of payments in these Accounts has shown variations. The highest variation took place in UGC Grants and the least in Special Schemes grants.

The payments under Debt Section comprise the expenditure in different Accounts like Provident Fund, Special Fund, Deposit, and Investment Account. Of the total payments under Debt Section, Provident Fund Account and Deposit Account form the major share though their relative position has changed over time. Initially, the Deposit Account Payments formed the greatest proportion followed by the Investment Account. But later, since 1990s, the Provident Fund Account formed the largest percentage followed by the Deposit Account. The growth of expenditure in different Accounts under Debt Section was significant. All the Accounts except Scholarship Account and Suspense Account showed high growth rates. The growth and decline in Suspense Account and Scholarship Account respectively are not significant. But they have shown very high variations. Special Fund Account and Provident Fund Account also showed high variation whereas the Deposit Account showed low variations.
The total expenditure can be classified into Revenue and Capital Expenditures. These two types of expenditure can be further divided on the basis of purposes and functions. Revenue expenditure can be divided into salaries, general administration, student welfare, examinations, and general services. The Capital expenditure is devoted to buildings, books, equipment, research, and development purposes. Out of the total expenditure, revenue expenditure constitutes a higher proportion than capital expenditure, but these proportions have been changing. The proportion of revenue expenditure decreased until 1990-91 and increased afterwards while the opposite is true with capital expenditure. However, there are fluctuations in both the percentages during this period. The growth of revenue expenditure is slightly greater than that of capital and also total expenditure. The growth of these expenditures showed almost uniform variations. The results obtained from the application of the Chow Test for structural change in the Revenue and Capital Expenditures show that there is significant changes in the structure and growth of expenditure in both the revenue and capital accounts between the two plan periods 1985-90 and 1992-97 corresponding to pre-reform and reform periods. The total revenue expenditure can be classified into expenditure towards administration, salaries, examinations, general services, general welfare, and others.

Out of the total revenue expenditure, the expenditure towards General Administration and Teachers’ salaries not only formed the major portion but also increased as a proportion. The proportion of expenditure towards examination declined sharply whereas that of student welfare increased. The percentage of expenditure towards General Services declined significantly while that of General
welfare increased. The Other expenditure as a proportion of total expenditure also declined. Regarding growth, it can be observed that the expenditure towards General Administration, Teachers' salaries, and Student welfare increased at a greater rate than total Revenue Expenditure and Other Expenditure. The expenditure towards Examinations and General Services has recorded very low growth rates. The expenditures have shown fairly wide variations.

The total Capital Expenditure can be classified into payments towards Buildings, Books, Equipment, and Research and Development. Out of the total capital expenditure, Research and Development and the Buildings expenditure occupy first and second place respectively. The expenditure towards Books and equipment is fluctuating; the relative positions of these two have changed frequently. However, it can be seen that the expenditure towards R & D and Buildings as a proportion of Total Capital Expenditure has been increasing, and the same towards Books and Equipment has been declining. As far as growth is concerned, the expenditure towards Buildings and Equipment recorded higher growth than Other Expenditures. The growth is least in expenditure towards Books. Further, the expenditure towards Equipment and Books has shown greater variation whereas Research and Development expenditure has shown least variations.

The Non-Plan expenditure is greater than the Plan expenditure. But their relative positions have changed slightly over the period. The proportion of Plan expenditure increased to the maximum extent and then decreased. The proportion of Non-Plan expenditure decreased and then increased during the
same period. As far as the growth of expenditure is concerned, Non Plan expenditure has recorded a higher growth rate than Plan expenditure and the Total expenditure. Further, the Non-plan expenditure has shown greater variation than others. The results obtained from the application of Chow Test for structural change in Plan and Non-Plan expenditures show that there is significant change in the structure and growth of expenditure in the Plan and Non-Plan accounts between two Plan periods 1985-90 and 1992-97 corresponding to pre-reform and reform periods.

Universities have to spend not only for the advancement/propagation of education but also for educational administration, research and development, building infrastructure and others. Out of the total expenditure, salaries form more than half and their proportion has been increasing. Research and Development and General Welfare and Student Welfare are the other items of expenditure which form significant and increasing proportion of total expenditure. The Buildings form a declining proportion though fairly significant. All other expenditures, including the expenditure on examinations, form marginal and also decreasing proportion of total expenditure. Regarding growth of each expenditure, the salaries of both Teaching and Non-Teaching staff have shown higher growth rates than others.

Academic expenditures include teachers' salaries, expenditure towards examinations, research and development, acquisition of books and students' welfare. The Non-academic expenditures include the salaries of non-teaching staff, expenditure towards buildings, equipments, vehicles, and general welfare. The Academic expenditures form greater proportion of total expenditure than the
non-academic expenditures. Further, the proportion of the former increased while that of the latter decreased over the period 1983-84 - 1998-99, though there were interesting changes in the interim period. Within the Academic expenditures, teachers' salaries formed the largest proportion followed by Research and Development in the initial years and by students' welfare in later years. The Examinations and the Books occupied the last position throughout.

Within the non-academic expenditures, the non-teachers' salaries formed a greater proportion followed by General Welfare in the initial years and by Buildings in later years. The Vehicles, Equipment, and Computers were in the last position. Thus, among the non-academic expenditures, the proportion of non-teachers' salaries increased significantly while that of General Welfare decreased significantly. The decline is moderate in the Buildings and the Vehicles and Equipment Accounts. The non-academic expenditure increased at a slightly greater rate than academic expenditure. Moreover, the non-academic expenditure has shown greater variation than the academic expenditure. Within the academic expenditure, we can find the greatest growth in teachers' salaries followed by student welfare and Research and Development. However, the expenditure on Books, Student Welfare, and Teachers' salaries have shown greater variation than on Research and Development and Examinations. From the results obtained by the application of Chow Test for the Academic and Non-Academic expenditure between the two Plan periods, 1985-90 and 1992-97, corresponding to pre-reform and reform periods, it is observed that the structural change between the two periods is not significant in the case of Academic.
expenditure. However, the structural change is significant in the case of Non-Academic expenditure.

The per-student expenditure increased at a greater rate than the aggregate expenditure. Under the Block Grant Section also, these rates remained almost the same. But under Capital Section, the per-student expenditure is greater than that of the aggregate expenditure. Within per capita total expenditure, Block Grant Section experienced a higher growth rate than the Capital Section.

There was not much divergence between the budgeted expenditures and the actuals in all the Sections and the Total Expenditure except in the Debt Section. The actuals were greater than the budgeted expenditures in a few years in the totals, Block Grant Section, and the Capital Section. In other years, actuals were less than the budgeted expenditures. Only in the Debt Section, the actuals were greater than the budgeted in fourteen out of sixteen years of the study period. In the Computer Centre Section, the actuals were less than the budgeted expenditures in all the years. With regard to totals, the actuals were less than the budgeted expenditures in eleven out of sixteen years of the study period.

There is significant difference in the budgeted and actual expenditure between years in all the Sections and the Totals. But the variation between the budgeted and the actuals is not significant in the Block Grant Section, the Capital Section, and in the Total Expenditure. However, the variation between
the budgeted and the actuals is less significant in the Debt Section and more significant in the Computer Section.

Income and expenditure are the two essential facets of finance of any organisation. This is true of a University also. There should be equal emphasis on both income and expenditure while managing the financial affairs of a university. Otherwise, achieving the overall objectives of the organisation will be extremely difficult. That is why there should be a proper balance between income and expenditure both at the aggregate level and at desegregate levels.

The results from the ANOVA reveal that there is no significant difference between years and also between different sections with respect to the ratios calculated on Income and Expenditure. General Account consists of bulk receipts and the payments for administration and contingency expenditures. The payments constituted only about 40 percent of the receipts during the period under study. The ratio between payments and the receipts was 0.44 in 1983-84 and 0.45 in 1998-99. But the ratio has shown greater variation than income and expenditure. The receipts in the Examination Account comprise fees, penalties, and fines.

There has been near consonance between Income and Expenditure in the Examination Account though the payments have exceeded the receipts during 1983-84 - 1998-99. There has been control over expenditure particularly during the reform period. In the S V U College Account, not only are payments greater than the receipts but they have also shown greater growth and variations. In the S V U Engineering College Account, the payments are greater than the receipts.
The receipts increased at a higher rate than the payments. As a result, the ratio in fact declined. Nevertheless, the receipts showed greater variations than the payments. They show greater variation than the ratio as well.

The receipts are only a small proportion of the payments made towards Library. The payments are far greater than the receipts in the S V U O R I Account. Imbalance between receipts and payments is striking. Attempts should be made to reduce the yawning gap between income and expenditure. There were no receipts in some years though the payments continued. Further, the payments are far greater than the receipts. The ratio between payments and receipts increased. In S V U School Account, the payments are always greater than the receipts, the ratio being greater than one throughout the study period. This is due to the fact that total receipts decreased whereas the payments increased during the period 1983-84 - 1998-99. The ratio between payments and receipts increased significantly. The ratio showed greater variation than the payments and the receipts.

In the Child Development Account too, the payments were greater than the receipts throughout the study period. The ratio of payments to receipts increased. But the receipts increased at a greater rate than the payments. The receipts have shown greater variation than the payments and the ratio between payments and receipts.

In all the three P G Centres, the payments were more than the receipts. The P G Centre Cuddapah has shown greater variation between receipts and
payments than other P G Centres. In the case of P G Centre Cuddapah, the ratio between receipts and payments increased. In P G Centre Kavali, Account also the payments were greater than the receipts. In certain years, payments were effected without receipts. The ratio between payments and receipts increased. The P G Centre Kurnool was under the S V University until 1994-95. It was transferred to S K University Anantapur in 1994-95. During this period too, the payments were greater than the receipts. The increase in payments was greater than that of receipts and the ratio increased. The ratio showed greater variation.

Though there was near balance between total receipts and payments at the aggregate level, different Accounts showed different trends. The Examination Account showed trends similar to the total receipts and payments by having the ratio nearer to one/unity. The General Account always had a ratio of less than one, an average showing that resources in this Account are saved to divert to other Accounts. The S V U School Account also showed near balance in the beginning but a greater payment/receipts ratio at a later period. The Library Account showed a very large difference between receipts and payments. The S V U College Account, S V U Engineering College Account and the Child Development Account showed moderately high ratios between payments and receipts. The P G Centres also showed greater ratios; the Kavali Centre having the highest ratio among them followed by Cuddapah and Kurnool P G Centres. The growth rates of the ratios are not significant in General Account. S V U O R I Account, Examination Account, S V U Engineering College Account,
Capital Section is different from Block Grant Section because receipts and payments under this Section follow the Plan pattern. Apparently, it shows that there may not be much divergence between receipts and payments. Yet, we find much gap between these two as we find in the Block Grant Section. The balance between the receipts and payments shows different trends. Payments are greater than receipts in some years and the opposite is true in other years. But the payments increased at a greater rate than the receipts. The ratio between the payments and receipts decreased. However, the payments showed wider variations than the receipts and the ratio of payments to receipts. The Buildings Account under the Capital Section also shows variations though not large between receipts and payments. Further, the difference between the two does not show a similar trend. During a few years, payments were greater than the receipts while the opposite was true in other years. In the Books Account also, the receipts and payments show a varying comparative picture. The ratios are very high during some years and low in others. The payments increased at a lower rate than the receipts. The corresponding C V values are 128.72, 81.85, and 61.12 respectively.

In the Miscellaneous Account also, the comparative picture of the receipts and payments is varying. The payments were less than the receipts in most of
the initial years and in the later period except for one or two years. However, the ratio between the payments and receipts increased from 0.68 to 1.21 in the study period with a lot of fluctuations in the interim period. The payments and receipts increased at almost the same rate.

The ratio has shown greater variation than the receipts and the payments among different Accounts under Capital Section. Books, Equipment and Vehicles Account showed a greater payments receipts ratio than the total followed by the Buildings and the Miscellaneous Account. Thus, it can be observed that while there is near balance between receipts and payments at the aggregate level, the Books, Equipment and Vehicles Account and Buildings Account showed greater imbalance and the Miscellaneous Account greater balance in their budgets.

In the Computer Centre Account, the payments were greater than the receipts except in two years in the study period of 1983-84 to 1998-99. However, the ratio between payments and receipts decreased. The ratio however increased and showed very wide variation whereas the receipts showed the least variation. The Debt Section also presents different types of imbalances. During a few years outgoings were greater than incomings and in other years, the reverse is true. But the difference between the two is not large. The ratio was 0.98 in 1983-84 and increased as the outgoings became greater than the incomings. Both the incomings and outgoings increased at different rates.

The ratios between outgoings and incomings recorded a negative growth rate. Further, the ratio showed less variation than the outgoings and incomings.
The outgoings are less than the incomings in the entire period of study except during a few years at the end of this period. The ratio between outgoings and incomings increased and the ratio showed less variation than the outgoings and the incomings.

The outgoings were less than the incomings except during one year out of the total period of 1983-84 to 1998-99. But the gap between incomings and outgoings was not large. Therefore, there was near balance between the two. The ratio between them increased at a very low rate and showed less variation than the outgoings and incomings.

The incomings and outgoings in other Accounts - Investment Suspense and Scholarships Accounts - are very sporadic and haphazard. Hence no particular trend can be observed. In Investment Account, there were payments without incomings in many years. In Suspense Account, the reverse happened and in the Scholarships Accounts, incomings and outgoings were shown only during five years out of the sixteen years of the period under study. But it can be observed that even in these years, outgoings were more than the receipts. On an average, the outgoings are less than the incomings in all the Accounts except in Advance Account under Debt Section. Yet it is interesting to note that in a few years in each Account, the outgoings are more than the incomings. That is why the mean ratio of outgoings and incomings is less than unity although in a few years in each Account, the ratio is greater than unity. The payments are more than the receipts in all the Accounts for most of the period, more so in the Revenue Account than in the Capital Account and the Total receipts and

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payments. But there is a declining trend in the gap between receipts and payments in the Revenue Account whereas the opposite is true in the case of Capital Account and in the Total receipts. The ratio of payments to receipts in Revenue Account showed greater variation than in the Capital Account.

In the Plan and Non-Plan categories the payments are greater than the receipts in most of the years in both the Accounts more frequently in the Plan Account than in the Non-Plan Account. Further the gap between receipts and payments is more pronounced in the Plan Account than in the Non-Plan Account. The ratio between payments and receipts in the Plan Account increased whereas the same ratio in the Non-Plan Account declined. However the Non-Plan Account showed greater variation in the ratio between payments and receipts than the Plan Account and the Totals.

The total payments were greater than the total receipts during ten years out of the total sixteen years of study. That is why the average ratio of payments to receipts is greater than unity. This is more than the ratio in Block Grant Section where the payments were greater than the receipts in thirteen out of sixteen years. The case is different with regard to Capital Section where the average ratio is less than unity indicating that the payments were less than the receipts in many years. The ratios of payments to receipts in the Block Grants Section the Capital and the Total have growth rates of 0.16 1.26 and 0.55 respectively. The ratio between per student payments and receipts under Capital Section has shown greater variation than the ratios in Block Grant Section and the Total.
In India the Universities have been playing an important role particularly in the Post-Independent era. They have been discharging their educational, promotional, and supervisory duties within the spheres prescribed by the relevant legislative and administrative authorities. They ventured into new fields of study and research. But these universities in India, compared to other high level institutes like IITs, IIMS are performing a static role. They have not been dynamic enough to enter into newer fields. All the while, they have taken a long time to enter new fields of study and research. Further, in most of the cases, they never made a serious attempt in this direction. Even as guiding authorities, the universities have not been perfect models because of ever-expanding horizons of higher education. Thus, it can be unhesitatingly said that the universities have to be necessarily more dynamic, need-based, and time-oriented.

The universities play a pivotal role in human resource development and nation-building activities. The universities as leaders in the educational system have to provide necessary skills and training suitable for the economic and social system as a whole. They cannot be casual nor indulge in rhetoric in so far as their responsibility in strengthening the educational structure is concerned. This calls for the spirit of dynamism and pragmatic approach on the part of universities. They have to gauge the changing needs of economic and social systems and change the academic structure to suit them. They have to serve as platforms for the emergence of effective leadership and become crucibles in
the process of nation building. In this context, the universities in India have not been successful, especially in recent times. With the result, these centers of higher learning stand as mere citadels of higher education, lifeless structures at the helm of educational sphere.

Universities are preparing manpower for academic and research faculties. But, as far as research is concerned, the universities are playing a secondary role, because they are engrossed in academic pursuits and pay little attention to research. Moreover, they are at home in the theoretical and fundamental aspects of research rather than in the practical industry-oriented research. It is true that theoretical research is necessary for the user research. But the universities ought to concentrate on the latter also.

Universities are important in so far as they are the centers of higher education. Education in general acts as a catalyst in the social transformation. Higher education, on the other hand, is expected to produce, in sufficient number, technical and high-level manpower essential for economic development and social advancement. Universities in India are fulfilling this obligation more in quantitative terms than in qualitative terms. They are producing manpower more than sufficient in number. But qualitatively, the manpower in terms of performance of duties and meeting new challenges has deteriorated especially in recent times, partly due to the large and unmanageable number of students in the universities. It is necessary that the universities realise their fundamental and eclectic duty and put greater emphasis on the quality of higher education than throw open their noble portals to ineligible students.
The State Government grants formed the mainstay of the University. State Government grants can be divided into Plan and Non Plan. Non Plan grants consist of Block Grants for general purposes and grants for specific purposes. Generally, Block Grants for general purposes constitute the major component of State Government grants. However, occasionally, Plan Grants exceed Block Grants. This is due to the fact that though Plan Grants are determined on a five-year basis, the funds are released from year to year and naturally in some years more funds are released than in others.

The UGC plays a vital role in promoting higher education. In fact, the UGC, ever since it became a statutory body in 1956, has been making definite plans for the expansion of activities of universities. UGC grants have become an indispensable part of total finances of the university. But these grants are made on the principle of sharing. The participation of State Government is also necessary. Hence, a few problems arise in this context. The UGC cannot always accept the same priorities as proposed by the State Government in deciding its share of assistance.

Fees had been the second largest source of income for the universities after the grants from the Centre and the States. Self-generating receipts are the recent source of income. They were introduced in the universities in the 1960s and came into vogue in the 1990s, particularly after the introduction of economic reforms. But this source could be properly exploited only by a few prestigious universities. Other universities are unable to garner sufficient resources through
this method. There is lot of scope for the universities to earn through consultancy to the industry and commerce. But there is a large gap and mistrust between the industry and universities as the latter are more theoretical and pedagogical in their approach. This gap should be filled up so that this source can be fully exploited.

Like any other organisation, universities require finances for carrying out their activities. But the universities require finances for different types of activities: academic and non-academic, curricular and extra-curricular, research and development, welfare activities. These activities are intended to help different sections of people: teachers, students, non-teaching staff, affiliated colleges and the general public, including those connected with industry and commerce. Hence it is to be realised that the financial requirement of universities is not one-dimensional but multi-dimensional and thus growth would also be multi-linear rather than unilinear.

The expenditure of the University should be studied with reference to the nature of activity and the specific objectives to be realised by the university from time to time. In this context, the normal classification of expenditure into Revenue and Capital or into Plan and Non Plan is applicable only to a limited extent. The more pertinent and useful classification would be Academic and Non-academic expenditure. Though the dividing line between these two is not distinct, an effort in this direction would be of immense help to the University to control its expenditure and thereby, improve the financial position of the University.
The Sri Venkateswara University Tirupati is a typical University with all the progress problems and prospect of an Indian University particularly a State University. In S V University the growth of students and teachers has been steady during the study period. The overall teacher student ratio has been declining over the period. This shows that the University has been endeavouring to improve the relative position of teachers and the taught. Among different Schools the School of Business Management showed improving trends and the School of Social and Behavioural Sciences witnessed depressing trends. This reflects the priority given by the University to the courses which are in great demand today. Thus in the School of Humanities and Extension Studies especially in the Departments of Urdu and Tamil the student strength is declining. The teacher student ratios are not only low but declining. As a result the teaching faculty is rendered surplus. These Departments have to diversify their activities so that there can be optimum capacity utilization in them. The student strength and the teacher-student ratios are increasing in the Departments of Economics and Commerce. The Departments need greater specialisation so that the number of teachers will increase in specialised subjects ultimately improving the academic health. Thus the University has to follow different operational policies to correct the imbalance among different Schools and different Departments.

As far as research output is concerned the University showed a declining trend. The number of students pursuing research degrees is showing a declining trend. Further the number of research degrees awarded showed a greater
decline. Research is one of the important activities the universities have to pursue next to teaching. But in this respect the majority of the Departments except the Physical and Natural Sciences Departments have not fulfilled the objectives. Hence these Departments have to augment their efforts in the field of research. What is needed is a greater diversification of research fields into more relevant and modern areas rather than harping up on traditional ones.

Research activity involves publication of books, projects and articles in research journals. In this respect also the SMPS and SBES showed better performance. SHES and SSBS a moderate performance and other Schools, poor performance. So SHES, SSBS, SMB and the Department of Law have to improve their performance with regard to publications. Moreover, there was a decline in the number of publications in the 1990s. This trend has to be reversed. The SBM and SSBS have to improve research activity in terms of the new topics pursued and the number of books and articles published. The SHES has to improve both in teaching and research activities. Regarding research projects also majority of the Departments have to improve their performance. The funds of UGC, CSIR, and Others have to be fully utilised in order to get more research projects sanctioned by them.

S V University receives income from different sources and they are presented in different Accounts and Sections. The major Sections are Block Grants Section, Capital Section, Computer Section and Debt Section. Out of the total receipts, Block Grants Section accounts for the highest percentage followed by Capital Section and the Debt section. The structure of receipts has been
changing significantly particularly in the recent years. The percentage of Block Grants Section in the Total Receipts increased from 58.76 to 62.78 while that of Capital Section decreased from 25.30 to 13.95. The percentage of Debt Section increased from 14.53 to 23.14 during 1983-84 and 1998-99. The Total Receipts increased at a linear growth rate of 11.16 percent. Among different Sections, the Debt Section recorded a higher growth rate than the Block Grants Section and the Capital Section. All the growth rates are significant at 1 percent level. Thus, the first hypothesis (the growth trends in the sources of income are not significant) is rejected and it can be concluded that the growth of different sources of income is significant. The Computer Section is the only exception in which the growth has been negative. In the S V U Junior College Account also the growth was not significant. There are wide variations in the structure and growth of receipts among different periods and sections. The Debt Section showed greater variation than the Block Grants Section and the Capital Section. The results of ANOVA show that there is significant difference. Thus, the second hypothesis (there is no significant difference among different sources of income and among different years) is rejected and it is concluded that there are significant differences among different sources of income over different years. The results from the application of CHOW TEST for structural change reveal that there is no significant structural change between the two plan periods of 1985-90 and 1992-97 corresponding to pre-reform and reform periods. The corresponding F values are not significant. Thus, the fifth hypothesis (there is no impact of economic reforms on university finances) is accepted and it is
concluded that there is no structural change as far as the receipts are concerned for two periods of pre-reform and reform.

Within the Block Grants Section, General Account constitutes the greater proportion followed by the Examination Account, SVUCE Account and the SVUCE Account. The other Accounts form meager percentages only. The receipts in the General Accounts towards salaries and the contingent purposes as a proportion of total receipts under Block Grants Section increased significantly while all others declined. It is true that when the university expands the allocation for administration and the salaries for teachers increase in the first instant itself. But equal emphasis should be given to institutional development also. In the case of SV University this has not happened. That is only the proportion of receipts in SVU Engineering College Account declined significantly. The same happened in the case of Examination Account also. But the Examination Account needs to be given greater attention as it is a reliable source for generating income. The University need not subsidise and thereby underweigh its importance in generating their services.

The receipts under Block Grants Section constitute both grants and the self-generating receipts. The grants are from the State Government, UGC, and Tirumala Tirupati Devasthanams and the self-generating receipts came for the provision of various services by the University. As the Indian Universities are funded by the Government, the grants form a greater proportion. But greater and increasing dependence on Grants rather than on self-generating receipts entails greater servitude of the Universities and relative loss of freedom. This
gradually erodes the autonomy of the University. This is what really occurred in the case of S.V. University. The grants, particularly those of the State Government, not only form a greater proportion but also an increasing proportion. Further, the grants have grown at a greater rate than the self-generating receipts. These trends compelled the University to depend more upon the State Government for running its academic and non-academic affairs. This had a bearing on the autonomy of the University. This was reflected in the day to day administration of the University. The recruitment of teachers was not on a continuous basis and the fluctuating strength of teachers resulted in the fluctuations in the teacher-student ratios. Hence, the University should strive hard to increase the self-generating receipts through various fees, educational and training schemes and, if possible, consultancy services. In this context, the services of teaching staff have to be utilised continuously yet vigorously. At the same time, a few Accounts with respect to P.G. Centers, for example, are made to depend upon self-generating receipts only, particularly in recent years. Again, this has dangerous consequences. If these receipts are not sufficiently buoyant, these institutions and activities will suffer both quantitatively and qualitatively. To overcome this situation, they should be given grants on a permanent basis.

The Universities receive funds under Capital Section which will be devoted not for meeting current expenditure but for building infrastructure which is also necessary for the educational set-up. This is as important as the day-to-day administration. Under the Capital Section, Other Miscellaneous Account forms the largest proportion followed by the Buildings and Books and Equipment Account. The structure of receipts under Capital Section has been changing, particularly in recent period. The Building Account is receiving greater
emphasis and attention at the cost of Books and Equipment. Books and Journals, in particular, have been neglected and receive meager allocation while Equipments including Computers are given greater attention. But the accessibility of computers as a source of knowledge and information, vis-à-vis books, is questionable and doubtful. That is why books and journals have to be treated not only as assets but also as heritage and should be given due emphasis. The Buildings anyway are receiving greater attention. But the receipts in D & E Account as a proportion are building. This needs to be strengthened and vitalised further.

The Computer Section received grants only in the initial years, and this Centre was made to rely totally on self-generating receipts, particularly in the reform period. This leads to unhealthy consequences. Having been made to depend singularly on the self-generating receipts, the institute/centre will try to pass the burden on to the students and other user agencies. If the latter do not warrant sufficient resources, the students have to pay large amounts of fees for the courses offered. This is detrimental to the interests not only of merit but also those sections who can ill afford such huge amounts. Hence no academic institute/centre should be left completely to depend upon one source. Minimum amounts of grants should be provided on a permanent basis.

As far as Debt Section is concerned, the total incomings have increased significantly. This is due to increase in incomings in the Provident Fund Account and Special Fund Account. The Provident Fund, which was earlier voluntary, was made compulsory. A proportion of the salary has to be compulsorily
contributed to the Provident Fund. The special funds also started flowing freely. But the deposits and advances have dwindled very much. The greater dependence on sources other than deposits and advances makes the financial position volatile. Hence the University ought to try to improve these two Accounts so that Debt burden also will be lessened.

Universities as centers of higher education receive funds from both the Central Government and the State Government. They get finances through self-generating receipts also as they can sell educational services. These resources should be kept in balance. Too much of grants and less of self-generating receipts erode university autonomy. Within grants too proper balance has to be maintained between State Government and Central Government grants. The S V University has been facing imbalances in this regard. On the one hand, self-generating receipts as a proportion of total receipts have been declining. On the other, the proportion of State Government grants is increasing and that of the Central Government grants is decreasing. This compelled the universities to depend upon the State Governments. The State Government which already burdened with primary and secondary education has expressed its inability to provide grants. The State Government grants are given mostly under Block Grant Section. The U G C on the other hand provides grants mainly to the Capital Section to build infrastructure and to start new courses. Thus the operational autonomy of the universities depends upon the State Government. This imbalance also should be corrected. After all higher education is in the Concurrent List and both the Central and State Governments have to safeguard
the interests of the Universities. The UGC and the State Governments have to share the burden equally in all fields instead of restricting their responsibility to a defined field of activity. The TTD is giving grant mostly to the Block Grants Section. TTD can also assist the University in the Capital Section in a big way. The University in turn can render services in various fields useful to the TTD in day to day administration and planning.

Self-generating resources are one of the important sources of income for the university and they have to be exploited to the maximum possible extent so that the University's reliance on grants can be brought down. By this, the University can safeguard and also enhance its autonomy. In this context of raising self-generating resources, the University College of Arts and Sciences and Engineering College Accounts performed better than others.

The Revenue Account and the Capital Account on the one hand, and the Non Plan and Plan Account on the other, correspond to the Block Grant Section and the Capital Section in the S.V. University budget. The receipts under Revenue account of the Non Plan Account recorded higher growth rates than the Capital or Plan Account. This appears to be suited to the University which is a service providing institution. But it is also true that unless infrastructure - both physical and academic - is provided, the universities cannot provide meaningful service to the students, research scholars and other user-agencies. For this, the receipts under Plan or Capital Section also should increase in consonance with the receipts in Revenue or Non Plan Account. The State Government and the UGC have to co-ordinate their activities for achieving this objective.
The student strength has been increasing after an initial fall during the study period. This is due to the fact that a few colleges under its were transferred to the Sri Krishnadevaraya University Ananthapur. Nevertheless, the increase in the strength is not significant. Hence, the Per student receipts are slightly lower than the aggregate receipts. Again, understandably, Per student receipts under Capital Section are greater than the receipts under Block Grants Section. This imbalance should be corrected by increasing funds under Capital Section.

As far as the budgeted and the actual figures are concerned, it is observed that there has not been much divergence between the two except in the Debt Section. In the Debt Section, actuals were greater than the budgeted figures because of the contingencies and the delay in the release of funds by the Government and other institutions. To overcome this, a separate Reserve Fund should be maintained so that these funds can be used in times of emergencies and contingencies. Then the University's planning in the Debt Section also need not go astray.

The University's activities are expanding from time to time. As a result, the expenditure of the Universities is increasing phenomenally. This is true with regard to S V University also. The total expenditure as well as expenditure under Block Grants Section, Capital Section and Debt Section increased significantly and the growth rates were significant at 1 percent level. Thus, the first hypothesis that the growth of expenditure is not significant is rejected. This leads to a conclusion that the growth of expenditure in S V University was significant.
The Computer Section was the only exception in which the growth has been negative. The results of ANOVA for the structure and growth of expenditure show that there is significant difference between the years of study and between different Sections. Thus the third hypothesis that there is no significant difference in the structure and growth of expenditure stands rejected.

From the results obtained through the application of Chow Test for structural change we can reject the hypothesis that there is no structural difference between the two periods and thus conclude that there is significant difference in the growth rates between two Plan periods, 1985-90 and 1992-97 corresponding to pre-reform and reform periods. The results show that there is difference in the structure of growth of expenditure of S V U under three Sections namely Block Grants Section, Capital Section and Debt Section. The difference is more significant in the Block Grant Section than in Capital and Debt Section. This gives scope for two important observations. The advent of reforms and the related policies made the University introduce changes in the expenditure pattern particularly in the administrative and contingent expenditures. This is a welcome signal as far as reform policy is concerned. The Capital Section has not been affected significantly as expected. But it is necessary that there should be changes in the Debt Section. The University needs to introduce reforms to the Debt policy. Out of the total expenditure, the payments under Debt Section as a proportion, has been increasing. Further these payments have shown higher growth rates. That means the University has come to rely more upon the Debt Section. This trend will certainly shake the
economic foundations of the University. This can be overcome by cutting the total expenditure on the one hand and garnering other funds and receipts on the other.

Under the Block Grant Section expenditure increased significantly in all the Accounts including General Account Examination Account S V U College Account, S V U Engineering College Account and P G Centers Account. But the growth is higher in the General Account including administration and welfare and in Colleges/P G Centers Account. The growth of expenditure in the Examination Account is very low and as a result the percentage of total expenditure has declined. But examination is an essential aspect of the university. This should not be diluted in the name of economising. The Examination System - conduct of examination and publication of results the evaluation should be strengthened even if it needs more expenditure. Within the General Account expenditure towards administration teaching and maintenance contributed a lion's share. The share is also increasing at the cost of special development schemes medical and sanitation and other activities. These activities are as important as the pure academic activities. Hence expenditure towards these can not be curtailed without detriment to the healthy growth of the university.

Under the Capital Section Buildings and the D D E are given same emphasis. But the Books and Equipment Account was given least importance. But it has to be mentioned that this negligence or the low priority given to books and journals will adversely affect the quality of education and research.
Even the computer and information network cannot be a substitute for these store houses of knowledge. The Special Schemes Account is getting more funds from the U G C than from other funding agencies. The U G C has become an assured source of funds on a continuing basis. Funding from other agencies like ICAR, ICSSR, ICSR, ICMR has become competitive in terms of the relevance and the practical utility of research projects. In this context, the University has to improve the projects to be proposed so that it can garner more resources or funds from other agencies instead of depending on the U G C alone.

Under the Debt Section it is observed that the payments towards Provident Fund Account increased enormously. Yet payments under all Accounts including the Deposit Account showed declining trends. The Investment Account has become nil in 1990's except in two years. This leads to the conclusion that the university perhaps feels that it is easier to depend on Provident Funds than on Deposits, Advances and Investments. This would weaken the fundamentals of the university with regard to liabilities vis-a-vis its liquid assets. Hence it is imperative that the university reduces its dependence on the Provident Funds. Further it has to restructure the payments in order to attract Deposits and Investments. This will improve the financial health of the university with reference to Debt position also.

The growth of expenditure in the University is significant in terms of Revenue and Capital Accounts also. The growth of expenditure in both the Accounts is significant at one per cent level. Thus the hypothesis that the growth of expenditure is not significant can be rejected. It is concluded that the growth
of expenditure has been significant during the study period. The results of
ANOVA showed that there is significant difference between the years of the
study and between Revenue and Capital Account with regard to the structure
and growth of expenditure. Thus the hypothesis that there is no significant
difference in the structure and growth of expenditure is rejected. The results from
the application of Chow Test also leads to another but related conclusion that
there is significant change in the structure and growth of expenditure between
two Plan periods of 1985-90 and 1992-97, corresponding to pre-reform and
reform period. This indicates that the reform policy made the University to
change the structure of expenditure more of the Revenue Expenditure. The
same conclusions can be applied to the Non-plan and Plan expenditures also.
The former corresponds to Revenue Account and the latter to Capital Account.

Within the Revenue or Non-plan expenditure, General administration
salaries and student welfare account for the lion's share. This is but natural in
a University, which is service-organisation. But other related Accounts should
also be taken care of with equal emphasis. The Examination Account, the
General Services and General Welfare Accounts are not given due importance.
Examination Account in particular needs greater emphasis so that the
examination system is strengthened. This will enhance the status of the
University and also the value of graduate and post graduate degrees offered by
the University. This is more important in a liberalised and competitive
atmosphere. In the Capital Section or Plan Account, the Buildings, Books and
Equipment are given less emphasis compared to the research and development.
This is a welcome trend in so far as the research and development is an essential aspect of University. But at the same time, the physical infrastructure and informative services like books and journals also should be strengthened simultaneously. It is only then that the university can achieve integrated development.

The University expenditure can be viewed as academic and non-academic expenditure for purely analytical purposes. In S V University, the non-academic expenditure increased at a greater rate than the academic expenditure. Though the distinction between academic and non-academic expenditure is not clear, the trend with regard to these expenditures leads us to the conclusion that non-academic expenditure is showing a higher growth rate. This trend has to be arrested. The academic expenditures should increase at a greater or same rate than non-academic expenditures. Otherwise, the primary objectives of the University will not be achieved. The University will remain as an institution for mere political-manoeuvre and power play.

The growth trends in per student expenditure also lead to the same conclusions. The per student expenditure in the Block Grant Section or Revenue or Plan Account increased at a greater rate than the per-student expenditure under Capital Section or Plan Account. The per-student non-academic expenditure increased at a higher rate than the per student academic expenditure. These trends have to be reversed in order to maintain and sustain the pure academic nature of the University. Otherwise, it will become a centre for political activity, social experiments, and group conflicts. The greater
emphasis on non academic expenditure not only makes the University depend on State Government but also attracts persons with non-academic interests into the University.

The budgeted and the actual expenditures and the divergences there of show the efficiency of financial planning. In S V University there has not been much divergence between the two except in the Block Grant Section. Even this divergence has narrowed in the reform period. That means the University is devoting much attention to the planning aspect of the finances particularly after the advent of economic reforms. This exercise has to be done with greater seriousness even in the Block Grant Section i.e. the Non-Plan/Revenue Account. This will significantly improve the financial health of the University.

In any organisation the income and expenditures or the receipts and payments should balance with each other. Further there should be balance at the aggregate and disaggregate levels. Then the overall financial balance can be maintained. This is true with regard to a university also. In the S V University by and large there has been near balance between income and expenditure. But there has been fluctuations. In some years payments were greater than the receipts. These fluctuations should be avoided or lessened. Secondly balance is absent at the disaggregated level. The Computer Section is unique in this regard. In this Section the payments were greater than receipts during a few years and the ratio between payments and receipts was very large. Among other Sections, the ratio between payments and receipts was greater. The Block Grants Section is showing wide gap between receipts and payments. This gap
is filled with the help of Debt Section. As a result, the ratio in this Section is also large. Hence, the balance between different Sections should be maintained so that cross-Section flow of funds may be avoided. This will lead to optimum and scientific utilisation of funds.

The growth in the ratio between payments and receipts has not been significant as shown by their t-values. Thus, the hypothesis that there was no significant difference between receipts and payments can be accepted. But the results of ANOVA applied for the receipts and payments show that there is significant difference between years and between the different Sections. Thus, the hypothesis that there is no difference in the income and expenditure among different years and sections can be rejected. However, the results of ANOVA applied to the ratios between payments and receipts show that there is no significant difference between years and also between different Sections with respect to ratios calculated on income and expenditure. Thus, it can be concluded that though there are imbalances in a few years, they are not significant from the long-term point of view.

The Block Grant Section in the budget of S V University shows wide variations among different Accounts with regard to the receipts and payments and specifically with regard to the ratios between payments and receipts. The picture of divergent ratios leads to many interesting observations and conclusions. The General Account seems to be the omnibus Account or the saviour-Account. In the General Account, the payments were far less than the receipts, and the ratio between payments and receipts was 0.40 on average.
The surplus so generated is used to meet the expenditures in other Accounts. The Examinations Account is the only one which does not rely on the General Account for its financial management.

The S V U O R I Account and S V U Library Account can be put in a separate category in which the balance between receipts and payments is in complete disarray. The management of these two Accounts shows lack of financial prudence. The gaps between payments and receipts are sometimes striking. The wide gap between the two is bridged with the funds diverted from the General Account.

The S V U College Account, S V U Engineering College Account, and the P G Centres Accounts form another category in which the gap between payments and receipts is fairly high. They also depend on the General Account for bridging the gap between income and expenditure. That means, these institutions and centres have to depend upon the university administration and financial authorities for financial support. This will undermine the prestige of the institutions, weaken the day to day administration, and increase dependence striking at the root of internal autonomy of these institutions. Hence, the gap between receipts and payments should be narrowed down on a permanent and continuous basis through guaranteeing funds for them on the basis of past trends. They should be prevented from becoming permanent dependents on the university authorities. The S V U School and the Child Development Accounts form yet another category in these Accounts, the difference between receipts and payments is not very large. Hence, their reliance in the General Account is
minimal. But the ratios between payments and receipts, though greater than unity, have not shown significant growth rates. However, the university has to strive for arriving at financial balance both at the aggregate and the disaggregated levels.

The Capital Section of SV University budget is unique in the sense that the payments were less than the receipts, the average ratio between payments and receipts being less than unity. Within the Capital Section, the Miscellaneous Accounts present a better picture. The payments were less than receipts during the major part of the period of study. Only in Books, Equipment, and Vehicles Account, the ratio is far greater. This leads to the conclusion that the university is finding it difficult to strike a balance between receipts and payments. This is unavoidable because of ever-increasing pressures on the acquiring of books and equipment. The Miscellaneous Account consists of expenditures for research projects and special schemes. The utilisation of these funds for these projects is being controlled and monitored by the funding agencies. That is why the Account has been witnessing better balance between receipts and payments of income and expenditures. The same process of monitoring should be extended to other Accounts also. It is only then that the funds given for non-recurring capital expenditures will be finally utilised fully and prudently. This will enable the university to build the physical infrastructure and strengthen the academic foundations.

Under the Computer Section, there is a lot of difference between receipts and payments, especially in some years. That means, in some years payments
were far greater than receipts and in others the opposite was true. These variations put a lot of financial strain on the activities of the Department concerned and thus will have a bearing on the achievement of its objectives. To avoid this, each Department's long-term plan should be evaluated by the University and the authorities who give grants. Along with this, efforts should be made to generate more resources through self-generating receipts.

Under the Debt Section, outgoings were greater than the incomings only in Advances Account. In other Accounts, especially in Provident Fund Account and Special Funds Account, outgoings were less than the incomings. In the Deposits Account, there was not much gap between outgoings and incomings. The payments were greater than the receipts in the Advances Accounts because of small accounts of Advances, which generally arise from surplus out of the funds in each Department and Section. Same is the case with the Deposit Account also, in which the incomings are very meager. This situation has to be improved by generating surplus on one hand, and attracting deposits on the other. Then the dependence on Provident Funds and Special Funds will also be reduced, guaranteeing the University's functional and internal autonomy.

Revenue and Capital Accounts or the Non-Plan and Plan Accounts show encouraging trends. In both the Revenue and Capital or Non-Plan and Plan Accounts, the payments were greater than the receipts. But there is a declining trend in the gap between receipts and payments. The ratio between payments and receipts is also tending to unity. This is the positive effect of the reforms. During the period of reform, the universities were asked to put control over
expenditures particularly in the Non Plan or Revenue Expenditures. That is why the gap between receipts and payments is narrowing down showing that the university is moving towards effective financial control.

The per student receipts and payments show the trends similar to the total receipts and payments. The per student expenditure was greater than the income at the aggregate level. The gap between income and expenditure is wider in the Block Grant Section. But ratio between payments and receipts has recorded an insignificant growth rate in the case of Block Grant Section. This leads to an important inference that the University is trying to balance income and expenditure. This is good as far as the financial administration is concerned.

Following are some of the important suggestions that emerge out of the study of finances of S V University.

S V University was established with a view to provide opportunities for higher education to all sections of the people in the backward region of Rayalaseema in Andhra Pradesh. But the fact still remains that University education is still very elitist although the growth of enrolment has led to increased access to education for traditionally less privileged sections of society. At present, higher education is available only to a small minority. Higher education is financed by the State representing the entire population but it is available only to a small minority. This has a regressive impact on the society. Hence the University has to restructure the entire process of enrolment.
The University organisational framework is based on the SV University Act 1955, and the subsequent minor amendments. Ultimately the present organisational structure has two major loopholes.

First, the University still works under the subterfuge of the State Government and the related political cob-web. The administrative bureaucracy and the political powers dominate the functioning of the University. The vesting of the Executive Council with both legislative and executive powers is a clear proof of this. Hence, necessary changes have to be made in the University Act to guarantee the structural and functional freedom of the University.

Secondly, the present organisational framework is very rigid. It is called as centralisation of powers by the authorities. That is why there is inordinate delay in the decision-making at all levels which is not warranted in organisations like universities. This also needs urgent attention. Necessary changes should be made in the organisational structure so that there is further decentralisation of power not only at lower levels of authority but also at the apex of the hierarchy.

Under the existing organisational setup, the financial administration remains an appendage of general administration. That is why the decisions with regard to financial matters are taken under the overall supervision and control of the administrative heads. Under these conditions, the decision-making is not done on the basis of financial principles. Other principles may be political or bureaucratic may dominate the process of decision-making. This will lead not only to unscrupulous utilisation of funds but also squandering of money through
different sources. As a result, not only will money be laundered, but also the funds will be utilised in a most uneconomical and unproductive way. To overcome this, the financial administration should be given sufficient freedom of course to operate within stipulated rules and regulations.

The universities need perspective plan instead of the usual Five Year Plans. Usually a five-year plan is regarded as a short term plan; it is a 10 year or 15-year plan that is referred to as a perspective plan. The common view is that Five Year Plans are too short for the organisations. It will be quite appropriate and useful if two-five year plans are combined. With reference to Universities, a ten year perspective plan may be broadly quantified with details not being amplified, but put in a crisp form. A perspective plan can give a good idea of priorities to enable the planning authorities to concentrate on the most essential features of the plan. These plans should be based on first hand information about the educational needs and attitudes of significant sectors in the region in which the University is located. In this sense, S V University, should draft its plans after taking into account the educational and manpower needs of Rayalaseema region.

At the internal level, if the overall planning system of the university is to be effective, the approach to planning and the machinery should be flexible and kept under regular review. For planning to pay dividends, every department must have the ability and opportunity to change.

The University's dependence on State funds is another important aspect which needs careful scrutiny. Although the university has diverse sources of income, it is heavily dependent on State funding. The dependence on
Government funds has increased. The University was reluctant to raise student fees for obvious reasons. The consistently diminishing non-governmental support to higher education is a matter of serious concern. In this scenario, the university can opt for more private financing. Greater private financing can be mobilised by following four ways: cost sharing with students, raising funds from external sources, raising funds from alumni, and engaging in other income generating activities. The greater share of the necessary finances can be mobilised from students themselves. Cost sharing can be pursued in two ways: charging or raising tuition fees and eliminating subsidies for non-instructional costs. However, poor students cannot absorb the direct and indirect cost of higher education. Therefore, cost sharing cannot be supplemented equally without a student scholarship programme. A financial assistance package is necessary for needy students. Donations and endowments can take many forms: funding for the construction of new facilities, endowments of professional chairs, donations of scientific equipment, books, and provision of scholarship to needy students. University has its alumni all over the world, and proper approach is to be made to tap this source. University can also pursue income generating activities such as short vocational courses, contract research for industry and consultancy services. Most important, University can introduce market-oriented industry-related courses for which the students will be totally responsible to realise the cost.

There is also an urgent need for a rapport between the industry and university. This rapport can be built at three levels: At the university level, separate consultancy cells or departments must be established drawing
people from different fields. It should have a bank of experts in various fields and their expertise and knowledge should be fully utilised by small scale industries. The University can conduct short courses for industry. The rapport can be easily built by having representatives from industry in the academic bodies such as Board of Studies and the Executive Council.

There are a few small scale industries in Rayalaseema and Nellore region. These industries can be tapped for the purpose of establishing financial rapport.

The University must take up sponsored research from these industries. Software and Management are the areas in which industries might think of sponsoring technical projects. A faculty-industry exchange programme must be worked out where by the faculty must be deputed during vacations to industry for the on spot study of industrial process and the real world problems that confront the industry. Students also can take part in these schemes. They must be assigned meaningful projects from the industry as part of their final year projects which must be practically oriented.

The expenditure of S V University needs to be given greater attention. There is a good deal of internal inefficiency in incurring the expenditure by the University. Salaries of staff form the largest part of the University budget. The salary component is very high on account of the low teacher-student ratio and the high teaching and non-teaching staff ratio. The teacher-student ratio is very low in a few Departments like Department of Sanskrit, Hindi, Urdu and Tamil. These departments have to be amalgamated with other related institutions rather than being independent.
ones. Regarding teaching non-teaching staff ratio there are no norms. The proportion of expenditure for non-teaching staff is also high and increasing. This should also be cut to the maximum possible extent taking into account the real needs of the university. A large share of the university budget is devoted to non-educational expenditure to support student grants and subsidised services. Subsidisation is an inefficient educational investment. Hence, this should be brought to the minimum and replaced with rational scholarship support scheme for the poor and backward sections of students.

S V University is facing a severe financial crunch. The resources available with the University are inadequate to meet the ever-increasing needs. Recently, under the pretext of zero-based budget, a steep cut was proposed in the allocations made to the University. Even the maintenance grants under Block Grant Section are considerably slashed. Further to make things worse, the outstanding dues to the University from the Government are not released. Consequently, University is finding it difficult even to pay the terminal benefits to the retired staff. The resource crunch has badly affected the maintenance of the hostels, buildings and the provision of infrastructure and equipment for the new courses. As a result, the academic standards of the University are likely to fall, causing anxiety and unrest among the student community in particular and the elite of the region as a whole.

The efforts of the university to raise funds through distance education courses are also not bearing fruits, mainly due to two factors. First, the number of courses offered are only a few. Secondly, a full-fledged
counselling and evaluation system is absent. The self financing courses also have failed to attract wider response owing to the dearth of faculty and unimaginative framing of the courses. The economic backwardness of Rayalaseema region is another important reason for the failure of the self-financing courses to attract potential students. Also these courses lack local relevance. All these defeiciencies should be corrected so that these sources of finance yield more income to the University.

Then the problem of autonomy which is one of the most important aspects of higher education. The autonomous status of the University helps to start new courses, appoint the necessary staff and start new institutions and centres of study. Further the University was given autonomous powers in financial, administrative and academic matters. The University was able to equip itself with buildings, laboratories, and talented faculty so as to fulfil its objectives. But at present, University is forced to rely to a large extent on the State Government and UGC for its financial needs. Due to the financial crunch faced by the Governments they are allocating meager amounts only. The State Government has cut down the maintenance grants also. All these factors have put the University at a difficult stage. That is why there is a lot of interference in the academic and administrative matters of the University. The Academic council, the Government and other bodies are trying to get their interests given priority in the functioning of the University in matters like starting of new courses, new institutions, selection of staff and so on. This has adversely affected the image and academic standards of the University.

The State Government and the UGC have to take up the responsibility of helping the University overcome its financial problems. Because of the
cut in their allocations and the failure on the part of State Government to release dues the University is in dire financial crisis. The State Government must be sympathetic in its attitude towards S V University as it is situated in a backward region. Further the University is a sort of middle level university. The State Government cannot apply rule of the thumb to all the Universities. The correspondence courses self-financing courses and the consultancy services may not garner much revenue to the University. That is why the University needs a sympathetic look as far as the allocation of funds is concerned. The U G C also has to rise to the occasion and assert its role not only as the Head of the Higher Education System but also as a Grant Giving body.

The liberalisation and globalisation of the Indian economy has thrown up major challenges for the educational system particularly higher educational system. The universities have to face the challenge by improving the ability of the higher education system to deliver qualified and skilled manpower that will be in demand in a knowledge and skill intensive society. S V University cannot isolate itself from this competitive game. At the same time the University should strengthen its fundamentals not only in its physical and structural framework, but also in the functional aspects. More important the financial strength has to be improved by a two-pronged approach of entering into new fields of resource mobilisation on the one hand, and putting breaks on the unbridled growth of expenditure on the other.